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Held at the Westin Lima Hotel and Convention Center, Lima, on Thursday, 5 December 2013, at 3 p.m.

President: Ms. Mutandiro (Vice-President)..... (Zimbabwe)
Later: Mr. Azeez (Vice-President) ..... (Sri Lanka)

Contents

Agenda item		*Paragraphs*
7	Annual reports of the Director General on the activities of the Organization for 2011 and 2012 (*continued*)	1-190
8	Reports of the Industrial Development Board on the work of its fortieth and forty-first regular sessions (*continued*)	)
9	Forum on industrial development issues (*continued*)	)
10	Financial matters (*continued*)	)
	(a) Scale of assessments of Member States (*continued*)	)
	(b) Financial situation of UNIDO (*continued*)	)
	(c) Working Capital Fund (*continued*)	)
	(d) Financial regulations (*continued*)	)
	(e) Appointment of an External Auditor (*continued*)	)
11	Programme and budgets, 2014-2015 (*continued*)	)

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12	Medium-term programme framework (*continued*)	)
13	Outcome document of the informal working group on the future, including programmes and resources, of UNIDO, entitled "Strategic Guidance Document" (*continued*)	)))
14	Lima Declaration and Plan of Action 2013 (*continued*)	)
15	UNIDO activities related to energy and the environment (*continued*)	)
16	UNIDO activities related to agribusiness, trade capacity-building and job creation (*continued*)	))
17	UNIDO activities related to the Vienna Ministerial Declaration and Plan of Action of the Least Developed Countries and to cooperation with middle-income countries (*continued*)	)))
18	Report on the work of the Multilateral Diplomatic Committee in UNIDO (*continued*)	)
19	Personnel matters, including UNIDO Staff Pension Committee (*continued*)	)
20	Matters related to intergovernmental, non-governmental, governmental and other organizations (*continued*)	))
21	Date and place of the sixteenth session (*continued*)	)

The meeting was called to order at 3.10 p.m.

Annual reports of the Director General on the activities of the Organization for 2011 and 2012 (*continued*) (IDB.40/2, IDB.41/2)

Reports of the Industrial Development Board on the work of its fortieth and forty-first regular sessions (*continued*) (GC.15/2 and GC.15/3)

Forum on industrial development issues (*continued*) (GC.15/4)

Financial matters (*continued*)

(a) **Scale of assessments of Member States** (*continued*) (IDB.41/6/Rev.1; IDB.41/Dec.9)

(b) **Financial situation of UNIDO** (*continued*) (GC.15/11 and GC.15/14; GC.15/CRP.1 and GC.15/CRP.2)

(c) **Working Capital Fund** (*continued*) (IDB.41/7; IDB.41/Dec.10)

(d) **Financial regulations** (*continued*) (IDB.41/14; IDB.41/Dec.11)

(e) **Appointment of an External Auditor** (*continued*) (GC.15/12; IDB.41/15)

Programme and budgets, 2014-2015 (*continued*) (IDB.41/5 and Add.1; IDB.41/Dec.12)

Medium-term programme framework (*continued*) (IDB.41/8; IDB.41/Dec.13)

Outcome document of the informal working group on the future, including programmes and resources, of UNIDO, entitled "Strategic Guidance Document" (*continued*) (IDB.41/24)

Lima Declaration and Plan of Action 2013 (*continued*) (GC.15/13)

UNIDO activities related to energy and the environment (*continued*) (GC.15/5 and GC.15/6)

UNIDO activities related to agribusiness, trade capacity-building and job creation (*continued*) (GC.15/7)

UNIDO activities related to the Vienna Ministerial Declaration and Plan of Action of the Least Developed Countries and to cooperation with middle-income countries (*continued*) (GC.15/8 and GC.15/9)

Report of the work of the Multilateral Diplomatic Committee in UNIDO (*continued*) (GC.15/CRP.4)

Personnel matters, including UNIDO Staff Pension Committee (*continued*) (GC.15/CRP.2; IDB.41/19; IDB.41/Dec.15)

Matters related to intergovernmental, non-governmental, governmental and other organizations (*continued*) (GC.15/10)

Date and place of the sixteenth session (*continued*)

1. **Mr. Petersen** (Norway), speaking as the Chair of the Multilateral Diplomatic Committee for Relations with the International Organizations at Vienna and the Host Country, said that the Committee was currently composed of representatives of the following States: Argentina, Ecuador, Egypt, Iran (Islamic Republic of), Netherlands, Nigeria, Norway, Poland, Russian Federation and Sri Lanka.

2. Between December 2012 and October 2013, the Committee had held six meetings. Mr. Hernández (Argentina) had been elected Vice-Chair.

3. The issues raised at the meetings had included: the Schengen visa system and the requirement to provide fingerprints when applying for a Schengen visa; new procedures at Vienna airport regarding access to restricted areas and the limited parking available to diplomats; and regulations on the sale of diplomatic cars and vehicles. In some cases, issues had been raised and subsequently considered by the Committee as being outside the scope of the Committee's mandate. As a rule, specific issues pertaining to individual permanent missions should be dealt with at a bilateral level with the Host Country, while the Committee should concentrate on matters of general concern within the scope of its mandate.

4. Information had been provided to the Committee on those topics in the form of presentations and written responses. At the Committee's request, the Ministry of European and International Affairs of Austria had presented a legal paper outlining the relationship between the Agreement between UNIDO and Austria

regarding the Headquarters of UNIDO and Austrian and European Union law with regard to the requirement to provide fingerprints.

5. In view of the fact that the Committee would soon need to elect new officers, it should draw up guidelines on how such elections should proceed.

6. **Mr. Budiman** (Indonesia) said that industry was of vital importance in achieving sustainable development that involved the cooperation of all stakeholders and was based on the three pillars of economic, environmental and social sustainability. Indonesia therefore welcomed the theme of the Conference session.

7. UNIDO should continue in its role as a catalyst for sustainable industrial development, particularly within the framework of the post-2015 development agenda. The Organization could make significant contributions to addressing development issues while also contributing directly to overall poverty reduction through its programmes, in response to the needs and interests of Member States.

8. The importance of technical assistance provided by UNIDO to developing countries could not be overstated. Indonesia noted with appreciation that most developing countries had received assistance from UNIDO during the global financial and economic crisis. Such positive measures should be maintained and strengthened.

9. The financial challenges that UNIDO had faced in recent years had become one of the major obstacles to the fulfilment of its mandate. Indonesia was fully committed to supporting the Organization's work, particularly in the area of poverty reduction.

10. Most countries faced challenges concerning energy and the environment. In order to minimize environmental risks, a new industrial revolution, for all countries, should focus on energy efficiency in order to create green, low-carbon, environmentally friendly industry that employed renewable energy through innovation and new technologies.

11. The commitment of Indonesia to green industry and sustainable development was stronger than ever. The country had undertaken to reduce its greenhouse gas emissions by 26 per cent by 2020 and by up to 41 per cent with international assistance. That commitment had gradually been incorporated into provincial and national action plans to decrease such emissions. Indonesia regulated the voluntary and mandatory action required of each industry in order to reduce emissions, particularly those industries that used high levels of energy and produced emissions on a large scale, such as those involved in the production of cement, iron and steel, pulp and paper, textiles, petrochemicals, fertilizer, glass and ceramics. The assistance provided by UNIDO to the Government of Indonesia and the Organization's contribution to the creation and promotion of green industry and sustainable industrial development were greatly welcomed.

12. Indonesia had approved the implementation of a national resource-efficient and cleaner production programme as a follow-up to green industry and sustainable development programmes, through which some 4.6 million United States dollars had been allocated for capacity-building, seminars and technical assistance in clean industry processes.

13. In an effort to enhance cooperation with other developing countries, Indonesia, in collaboration with UNIDO, had successfully established the secretariat of the South-South Industrial Cooperation Centre in July 2013. Indonesia continued to view South-South cooperation as an important and effective means of cooperation among developing countries in the areas of industry, trade, technology, knowledge and technical assistance.

14. Lastly, he reiterated the commitment of Indonesia to working closely with UNIDO and its Member States to promote and accelerate sustainable industrial development.

15. **Mr. Ardizzone** (Italy) said that the adoption of the Lima Declaration was a milestone for UNIDO and paved the way for a new, prominent role for the Organization in the definition and coordination of a global industrial agenda, preparing it for action within the post-2015 development framework. UNIDO should develop that role by seizing the opportunities presented by its unique mandate to promote sustainable industrial development.

16. UNIDO had great potential, owing to the unique experience it had acquired in its various areas of activity. It would need the support of all Member States in order to fulfil that potential and achieve its ambitious goals. The Organization's relevance as a

global driver of inclusive and sustainable industrial development and sustained growth worldwide would depend on the ability of those States to build strong synergies and work together.

17. Italy was fully committed to supporting UNIDO and was one of its major donors. Its investment in UNIDO over the past decade amounted to more than 100 million euros, and it had decided to release its share of unutilized balances of appropriations to support future initiatives identified on the basis of common priorities. The strong relationship between UNIDO and Italy had led to remarkable results in several areas of technical cooperation, such as the development of clusters of small and medium-sized enterprises (SMEs), support for interregional projects aimed at promoting and developing origin and export consortia and for programmes to facilitate international market access, the promotion of sustainable agro-industries, the empowerment of women and the creation of youth employment, particularly in the Mediterranean region.

18. With respect to agribusiness, trade and job creation, Italy would continue to support initiatives aimed at fostering sustainable and "pro-poor" agribusiness development, such as the promotion of clusters of SMEs and export consortia and the integration of farms into regional and global supply chains.

19. Italy attached great importance to sustainable models of agribusiness, nutrition, food security and the eradication of global hunger. Expo 2015, to be held in Milan under the theme "Feeding the planet, energy for life", would be dedicated mainly to those issues, which would remain at the top of the development agenda.

20. He encouraged UNIDO to strengthen its technical assistance relating to the promotion of agro-industry and to foster its partnerships with the Food and Agriculture Organization (FAO), the International Fund for Agricultural Development and other relevant stakeholders.

21. With respect to job creation, employment represented a top priority for Italy, as for many other Member States. Economic growth should be directed mainly at the creation of decent jobs, and Italy was supporting several projects to facilitate youth entrepreneurship and enterprise development in various countries.

22. Italy noted with satisfaction UNIDO activities related to energy and the environment and acknowledged the Organization's role in furthering cleaner and more sustainable industrial development through the promotion of energy efficiency in manufacturing processes, the dissemination of international standards and technical assistance relating to renewable energy for productive uses. It also greatly appreciated the efforts made by UNIDO to improve the contribution of its technical cooperation programmes to the attainment of the Millennium Development Goals (MDGs). He was confident that UNIDO would be able to sharpen its profile in the post-2015 development framework, playing its part in the accomplishment of future sustainable development goals and assisting its Member States in their transition to a greener economy.

23. **Mr. Swaminathan** (India) said that the signing of the Lima Declaration was a new milestone for the Organization and one that gave momentum and significance to a renewed political commitment to industrial development, highlighting the role of UNIDO, as a platform within the United Nations system, in responding to the needs of developing countries.

24. He had no doubt that UNIDO would continue its endeavours to create capacities within developing countries to enable them to emerge as effective manufacturing and trading partners in the global market. Inclusive and sustainable development was important to all and required a supportive international economic environment, technology transfer, open and increased multilateral trade capacity-building and enhanced investment flows, including from multilateral development banks. Poverty remained a major political and economic challenge and its eradication required special attention and renewed collective efforts.

25. Industrial development remained one of the most important factors in poverty alleviation, job creation and equality among societies and nations. Over the past 40 years, UNIDO had helped developing countries immensely in their efforts to achieve overall growth, and it remained the primary organization in the United Nations system for forging North-South and South-South partnerships, facilitating technology transfer and building the manufacturing and trade capacities of Member States.

26. The Organization had established itself as a valuable partner for growth and prosperity in developing countries, particularly in activities related to agribusiness, small and medium-sized enterprises, trade capacity-building, enhanced market access and the establishment of links between buyers and suppliers. He commended UNIDO for its activities related to energy and the environment and to promotion of the competitiveness of industries through enhanced industrial energy efficiency, increased use of renewable energy and greater application of clean and innovative energy technologies.

27. India had been assisting the Organization in disseminating its technology, experience, expertise and best practices in the developing world. The first centre for South-South industrial cooperation in the United Nations system, the UNIDO Centre for South-South Industrial Cooperation, had been established in New Delhi in 2006. The Centre provided a platform for encouraging closer industrial cooperation among developing countries so as to ensure that the least developed countries (LDCs) could benefit from the expertise and experience of successful strategies adopted by those developing countries with a higher level of development. The Centre designed and implemented practical and innovative technical cooperation projects on a demand-driven basis with a view to facilitating the transfer and dissemination of appropriate technologies, replicating best practices, promoting training, skills development and capacity management, developing entrepreneurship, strengthening institutions and networking and promoting trade and investment.

28. During the Centre's first phase, successful projects had been carried out in countries including Benin, Côte d'Ivoire, Guinea, Liberia, Nigeria, Sierra Leone and Timor-Leste. The second phase had commenced and a large number of high-impact projects were planned.

29. India remained fully committed to making the Centre a vehicle for social and industrial change in developing countries. While North-South cooperation remained the cornerstone of development partnership through technology transfer and capacity enhancement, the role of South-South cooperation in linking development, expansion of trade and poverty reduction was equally important.

30. India was working towards the overall reorientation of the UNIDO International Centre for Advancement of Manufacturing Technology (ICAMT), located in Bangalore, with a view to placing the Centre within the wider network of UNIDO International Technology Centres. The Centre would focus more on technology advancement for priority sectors, which were to be carefully selected on the basis of specific criteria in order to ensure the quality of technology support for specific projects. Clear outcomes and evaluation techniques were also being established in consultation with UNIDO to make the Centre more rigorous and effective.

31. The Lima Declaration would serve as a critical catalyst for reinvigorating the mandate of UNIDO and for placing industrial development at the centre of the post-2015 development agenda. UNIDO should further strengthen its existing partnerships and mobilize more financial resources with a view to ensuring sustained growth and prosperity.

32. **Mr. Grossi** (Argentina) said that the world continued to face many of the challenges existing at the time of adoption of the Lima Declaration and Plan of Action on Industrial Development and Cooperation of 1975. As then, the eradication of poverty was a primary objective, and he welcomed the fact that the new Lima Declaration recognized its importance. The MDGs reflected those challenges and should be carried forward under the post-2015 development agenda, in which industry should feature prominently as a key tool in the process of decent job creation and social inclusion at all levels.

33. Since 2003, Argentina had been implementing a political and economic model based on reindustrialization, job creation and social inclusion. Those efforts had resulted in growth that was unprecedented in Argentine history and that was due in large part to the country's intensive reindustrialization and industrial recovery. The annual average rate of industrial growth for the period 2003-2012 had been greater than 8 per cent in almost all industrial sectors.

34. A fairer, more integrated and more egalitarian society was possible only if industry was strong. Without an industrialized economy, societies tended to be divided into rich and the poor; the included and the excluded. Argentina was therefore greatly interested in the strategic role that UNIDO could and should play in promoting inclusive and sustainable industrial

development. There was no doubt as to the importance of industrial development for technological advancement, the creation of decent jobs, greater productivity and diversification and enhancement of the economic framework of developing countries and emerging economies.

35. UNIDO should fulfil its mandate in all four of its core functions. The creation of production and trade capacity and the sustainable and efficient use of resources in production had been recognized by Member States as thematic priorities which should be incorporated into specific programmes and projects.

36. UNIDO had a special responsibility towards developing countries, and Latin America had an important role to play in that regard. As a region that benefited from and contributed to cooperation activities, Latin America had been called upon to serve as a central link in the chain of inclusive and sustainable development. The expansion and more effective use of the Trust Fund for Latin America and the Caribbean was a good example of how progress could be made. Argentina hoped to be able to work closely with the Secretariat to establish priorities and projects that met the needs and reflected the specific conditions of countries in Latin America and the Caribbean. While many regions required support, and the LDCs should be the first to receive assistance, Latin America and the Caribbean should remain among the Organization's priorities.

37. Issues related to all aspects of industrial development, including renewable energy, energy security and energy efficiency, should be incorporated clearly in UNIDO activities, and the promotion of industrial development should form a part of all multilateral agendas. Argentina therefore encouraged UNIDO, in the course of negotiations on the post-2015 agenda, to strengthen its interaction with other international institutions that had complementary mandates and that prioritized social and economic development.

38. UNIDO should be decisive and determined in fulfilling its role as a driving force behind industrial development, which continued to be central to efforts to combat poverty, inequality and injustice. After 11 years of absence, and following its own process of reindustrialization, Argentina had rejoined the Industrial Development Board, as a member of which it hoped to contribute to the establishment of guidelines and policies that would consolidate the role and importance of UNIDO.

39. **Ms. Aouad** (Morocco) welcomed the adoption of the Lima Declaration, which highlighted the importance of industrialization as an engine for growth and provided an effective response to the various challenges presented by the ever-changing global economy.

40. Given the continued negative impact of the economic crisis on Member States, the promotion of inclusive and sustainable development was more relevant than ever. Industrial development was essential in order to generate economic growth through industrial diversification and to empower women and young people. Sustainable structural and industrial transformation in developing countries was not possible without innovative cooperation that created synergies, offered technology transfer and brought progress.

41. In that regard, the global economy offered opportunities for foreign direct investment and international North-South, South-South and trilateral cooperation based on technology, know-how and good practices.

42. Public-private partnerships facilitated inclusive and sustainable development by promoting financial efficiency, social justice and respect for the environment.

43. Morocco had developed its industrial strategy by targeting production chains and branches that had comparative advantages and significant potential and by prioritizing cooperation. Accordingly, its National Pact for Industrial Emergence, which formalized the relationship between the State and the private sector, set out commitments based on such fundamental principles as consensus and dialogue with a view to the creation of a strong industrial sector. The overarching idea of the strategy was to maximize Moroccan potential in areas that could attract direct investment, namely the automobile, aeronautics, electronics, offshoring, textiles, food production and agricultural sectors, in which more than 110,000 jobs had been created between 2009 and 2012. Attention was also being given to other industrial sectors that had significant potential for development and could help Morocco to position itself in the international economy, including the chemical and pharmaceutical

industries. The strategy was already proving effective, with tangible results. She expressed the hope that UNIDO, as a unique platform within the United Nations system for facilitating the transfer of industrial technologies and the development of production capacity, would take part in the implementation of the strategy.

44. In 2012, industry in Morocco had received around US$ 970 million in foreign direct investment; the share of gross domestic product (GDP) accounted for by the processing industries had exceeded the target of US$ 14.5 million since 2009 and continued to increase; exports had increased; new foreign donors had become involved in the textile and clothes manufacturing industries, in which sourcing activities had increased; and major foreign companies had established themselves in Morocco. Those results were due in part to the fruitful relationships that had been established with countries that had provided financing, such as France, the Republic of Korea and Spain, in such sectors as training and integrated industrial platforms.

45. Morocco looked forward to continuing its discussions with UNIDO on a new strategic framework for future cooperation based on support for specific sectors, sustainable development and South-South cooperation, in line with the areas of activity and priorities of Morocco with respect to industry and job creation. It also hoped that the international financial community would support the implementation of that framework.

46. Efforts to eradicate poverty at the global level would succeed only if special attention was given to industrial development in middle-income countries and the LDCs, especially African countries, whose great potential had yet to be unlocked.

47. Her delegation reiterated its willingness to share Moroccan experience, tools and methodologies with other countries, particularly African countries, as part of South-South or triangular cooperation with a view to transferring skills and technologies and thus contributing to inclusive and sustainable development.

48. The fundamental role of UNIDO in helping Member States to industrialize warranted the strengthening of the Organization's mandate. Member States should work together to ensure that the goal of inclusive and sustainable industrial development was included in the post-2015 development agenda and that UNIDO was supported in its efforts in that regard.

49. The fact that major donor countries had withdrawn from UNIDO should not discourage Member States from promoting the role of the Organization, nor should it divert the Organization from its mandate. In that regard, the adoption of the "Strategic Guidance Document" was a promising basis for the future of UNIDO.

50. **Mr. Azeez** (Sri Lanka) said that Sri Lanka remained committed to the advancement of inclusive and sustainable industrial development and was implementing a number of projects aimed at creating jobs for young people while improving overall economic conditions. The projects facilitated by UNIDO in Sri Lanka greatly assisted the Government in its efforts towards the economic empowerment of rural communities.

51. The Lima Declaration was special because it built on the related outcomes of the United Nations Conference on Sustainable Development and other international processes, including the United Nations General Assembly's high-level events on the post-2015 development agenda, and sought to set a new pace and establish a conceptual framework for the future direction of UNIDO. It also provided a significant platform through which Member States could renew their commitment to further industrial development and thereby strengthen the Organization's thematic priorities and technical cooperation.

52. His delegation noted with satisfaction the Organization's achievements in the area of technical cooperation in 2011 and 2012. While the decline in technical cooperation activities in the first three quarters of 2013 was worrying, he expressed the hope that that situation would improve as the Secretariat continued to devise innovative ways to use its financial resources effectively.

53. The future of UNIDO represented the future of industrial development in many countries, including Sri Lanka, and he therefore welcomed the "Strategic Guidance Document".

54. Inclusive and sustainable development was a timely concept, for a number of reasons. First, industrial development had been the key to employment generation, economic development and poverty eradication. Most countries in the developing

world had missed out on the opportunities it presented owing to a variety of factors, including resource constraints, lack of capacity-building assistance and lack of transfer of technology and know-how. Many developing countries that had begun to make progress in recent years had relied on industrial development, as evidenced by the development of previously stagnant economies.

55. Second, inclusive growth played a significant role in achieving poverty eradication, which had been recognized as the greatest challenge facing the world and an indispensable requirement for development.

56. Third, many countries had seen a growing disparity between growth and employment. Jobless growth, especially in the LDCs, had led only to increased social instability. Employment creation must therefore be at the centre of growth strategies. Inclusive and sustainable industrial development had the potential to contribute to that objective.

57. Fourth, industrial development must not lead to environmental degradation, as had previously been the case. It was essential that environmentally friendly technology be used in the industrialization process. It was possible for economies to develop while ensuring protection of the environment through the careful balancing of approaches. UNIDO had a vital role to play in identifying and facilitating access to such environmentally friendly technologies, and the establishment of the Green Industry Platform was a positive step in that regard.

58. Fifth, information and communication technology provided the foundation for modern innovation, production and marketing and could provide a convenient bridge from underdevelopment to development. The linking of such technology and industrialization was essential, and was indeed a key factor in the success of developing countries that were making rapid progress. Related expertise could be shared through South-South cooperation activities.

59. **Mr. Rashid** (Pakistan) said that poverty and the many complex issues it raised continued to be the greatest development challenge that the world faced, despite the progressive growth of the global economy and outstanding levels of scientific and technological progress. Access to basic amenities, education and health services and decent jobs remained elusive for many people, even in growing economies. Growth was therefore necessary but not sufficient to ensure poverty reduction; it must be inclusive and complemented by measures and policies to increase productivity in a sustained manner.

60. The ongoing global financial and economic crises and their impact on developing countries, particularly on the industrial sector, underscored the importance of a collective response in order to achieve sustained growth and employment generation. All States should be involved in addressing the challenges of inclusive, sustainable and equitable development and in efforts to change prevailing patterns of production and consumption based on consumerism and disregard for the environment.

61. As sustainable development goals and the post-2015 development agenda were being defined, Member States had a unique responsibility to ensure that UNIDO continued to be recognized as an indispensable part of the international development mechanism and that the Organization's plans and strategies for industrial progress incorporated, in a balanced way, the three dimensions of sustainable development. The Lima Declaration would enable UNIDO to give meaningful impetus to the shared objectives of inclusive and sustainable industrial development.

62. UNIDO was to be commended for the work it had carried out in Pakistan since establishing its office in Islamabad in 1968, including the implementation of more than 100 projects. The UNIDO Trade Related Technical Assistance Programme would contribute to the economic integration of Pakistan into global and regional trade. Its sustainable energy production project would provide households in Sindh province and SMEs in Punjab province with electricity, thus helping to address the critical energy shortage in Pakistan, which was responsible for the reduction of capacity in some key industries by up to 50 per cent.

63. Lastly, he expressed his delegation's unqualified support for the "Strategic Guidance Document", which was the product of the hard work and time invested by Member States in the extensive process of elaborating the Organization's conceptual and operational framework and would be of enduring value in the Organization's resource and programme structure.

64. **Mr. Touma** (Syrian Arab Republic) said that cooperation between the Syrian Arab Republic and

UNIDO in the elaboration of strategies and policies and the strengthening of supporting institutions had developed significantly in recent years. Cooperation in a number of areas was also provided for in the Industrial Modernization and Upgrading Programme launched in July 2007 under the auspices of UNIDO and with funding from Italy. A comprehensive strategy for the modernization of all sectors and supporting institutions of Syrian industry had been established, and the textile and clothing sector had been selected as a starting point for the modernization process in view of its importance to the Syrian economy, industry and people. A special strategy for the development of that sector had been defined and the necessary supporting institutions had been established, including 36 SMEs, three of which were public-sector companies. Despite the terrorism that had struck the Syrian Arab Republic and the withdrawal of funding by Italy, the Syrian Arab Republic had allocated 1.5 million euros for the second phase of the Programme, which reflected the country's confidence in UNIDO and demonstrated its interest in continuing its cooperation with the Organization.

65. UNIDO had also supported the Syrian Arab Republic in the Agro-Industrial Special Economic Zone (Agropolis) in Al-Ghab through the Al-Ghab Development Programme, which was being implemented jointly with FAO, the United Nations Development Programme (UNDP) and six Syrian industries, including the Ministry of Industry. Many industrial units had been established, including a dairy industrial plant and many small enterprises. However, the Programme had been halted owing to the prevailing conflict situation.

66. Complementarity and coordination of domestic, regional and international policies was an extremely important tool for sustainable industrial development. Environmentally sustainable industrialization was more important than ever before, particularly in the processing industries, in view of rapid population growth and increasing demand for products and resources.

67. The Syrian Arab Republic relied a great deal on cooperation with UNIDO, particularly with regard to the processing industries. Industries were being reviewed in their entirety with a view to a process of restructuring that would enable them to participate more effectively in industrial development and modernization. The Syrian Arab Republic needed UNIDO assistance more than ever, and the human and social aspects of its industrial development and modernization required special attention in view of the great suffering caused by terrorism. The Government had sought to address the difficult political, economic, human and social conditions of the past three years by introducing legislation aimed at meeting the needs of society and fostering sustainable development. The Syrian Arab Republic was grateful to UNIDO for its support and looked forward to further joint activities that would contribute to the effective and speedy implementation of industrial reform and the rehabilitation and modernization of Syrian industry.

68. *Mr. Azeez (Sri Lanka), Vice-President, took the Chair.*

69. **Mr. Fernandez di Maggio** (Uruguay) said that his country had achieved a high level of human development and steady growth since 2005. Foreign direct investment had grown exponentially during the same period. That progress was due in large part to democratic stability, economic predictability, a climate conducive to business, good governance, reliable, efficient and transparent business administration and legal security for investment with clear and transparent regulation. It was also due to policies that favoured domestic and foreign private investment and investment by public bodies responsible for energy and telecommunications. Uruguay strove for industrial development that added value, created more jobs, improved salaries and generated more markets and export destinations.

70. Uruguay strongly supported the development of environmentally clean industries, such as information and communication technology and industrial design. Micro, small and medium-sized enterprises had been strengthened and represented more than 90 per cent of all Uruguayan businesses. They also employed more than 60 per cent of the industrial sector workforce. Uruguay had subsidized various industrial sectors, created industrial parks and built high-tech laboratories; it had also supported academic development in order to improve industrial capacity. As a result, purchasing power and annual per capita income had greatly increased, the domestic market had been strengthened and poverty and inequality had been reduced. The two lowest-income deciles of the population had doubled their income since 2005, and income distribution overall had become more

equitable. Those achievements were attributable not only to economic policies but also to social policies and Government action in pursuit of poverty eradication.

71. In 2008, Uruguay had established a Production Cabinet, which comprised several ministries and the Planning and Budgetary Office and which was responsible for developing a national industrial development strategy for the period up to 2030. The aim of the strategy was to bring existing institutions together under a new framework that focused both on the definition of industrial development policies based on medium- and long-term objectives by sector and on the removal of barriers, bottlenecks and market shortcomings that affected production processes. In view of the ongoing effects of the global economic and financial crises, the adoption of new industrial policy measures was needed in order to enable work on growth potential, technological advancement, decent job creation and the diversification of products and exports to continue. The establishment of clear targets on the basis of strategic objectives facilitated the identification of industrial policies that went beyond increasing macroeconomic aggregates (growth, employment and foreign direct investment) and facilitated the configuration of a new production structure for 2030 as a basis for more inclusive development in Uruguay.

72. The energy policy of Uruguay for the period up to 2030 gave special attention to local sources of energy and renewable energy in particular. The advantages of diversifying energy sources and providers included lower costs, reduced dependence on oil and the promotion of energy independence as part of a sustainable strategy. The policy aimed to source 50 per cent of energy from renewable sources, including at least 25 per cent from non-traditional renewable sources. A significant increase in the use of wind, biomass and solar energy, the introduction of ethanol and biodiesel and progress made in reducing demand for energy and increasing energy efficiency all indicated that those goals would be met in 2015, placing Uruguay in the vanguard of renewable energy and making it a driving force for transformation of the energy sector.

73. The relationship between Uruguay and UNIDO had flourished in recent years. One important area of bilateral cooperation was the work of the Modular Agro-Industrial Centre of Excellence, which was financed entirely by Uruguay, in industrial automation and mechatronics. With UNIDO support, an industrial centre was being established to promote the capacity of business to foster the development and technological advancement of the food production, metallurgy and plastics sectors. Uruguay hoped to implement jointly with UNIDO a recently approved Global Environment Facility (GEF) programme that converted waste into energy. In direct cooperation with UNIDO, Uruguay was seeking a low emissions model based on appropriate technologies.

74. While those policies and efforts showed the way forward, they were not sufficient in themselves. A country could grow and become a developed society only with the help of research and innovation that benefited productive and social processes.

75. The challenge faced in implementing the industrial model that was required in order for development to be achieved within the context of the current globalized economy was to bring more new technologies, particularly information and communication technologies, and new forms of energy into production and to provide the production workforce with technical and other relevant training. Uruguay counted on the assistance of UNIDO in achieving those objectives.

76. In conclusion, he welcomed the Organization's support for and role in implementing projects both in Uruguay and in the wider region and, in that context, the establishment of a regional office of UNIDO in Montevideo.

77. **Mr. Gyawali** (Nepal) said that the Nepalese people had long been expecting a stable, efficient Government to design and deliver an economic development agenda enabling Nepal to graduate from its status as a least developed country to that of a developed country within the next 10 years. The theme of the fifteenth session of the General Conference was appropriate because LDCs had been suffering as a result of unsustainable and inequitable economic growth and industrialization. Little attention had been given to the individual political or economic circumstances of LDCs. UNIDO had taken the correct approach to remedying that situation and was urged to help those countries most in need of its support through sufficient technical assistance and knowledge transfer.

78. Nepal had initiated policy, legal and institutional reform to increase the share of industry in GDP, that share currently standing at less than 7 per cent. Laws on industrial administration and regulation, including those concerning foreign direct investment, were being revised, new laws on intellectual and industrial property rights were being drafted and new institutional arrangements for providing one-stop services to entrepreneurs and investors were being defined. Domestic governance, stability and commitment and generous external support tailored to the needs and priorities of Nepal were now needed.

79. Even small-scale reform had positive effects. A mandatory online company registration system, introduced earlier in 2013, had increased the global Doing Business ranking of Nepal, while the establishment of a high-level investment board to facilitate large-scale projects and boost export-oriented industries had given Nepal confidence to develop large manufacturing industries. However, the challenge of sustaining such reforms inclusively and equitably remained to be overcome. In view of the urgency of the need for development in Nepal, guidance was needed in striking the right balance between development and environmental protection and in ensuring that industrialization did not lead to large divides between rich and poor, rural and urban.

80. Industrial development in Nepal should take a two-pronged approach. While large-scale private-sector investment was to be encouraged in order to accelerate economic growth, for which the Government would provide policy, legal and regulatory facilitation and invest, where necessary, using public-private partnerships, the Government should be the first to invest resources to tackle poverty. Programmes to develop micro, small and medium-sized enterprises should be replicated both in Nepal and in other countries with a similar level of development. One such programme, the Micro-Enterprise Development Programme, implemented by the Government of Nepal and UNDP, had been a great success in Nepal, enabling more than 300,000 people to earn a decent living.

81. He urged UNIDO to help Nepal to help itself. The renewable and clean energy potential of Nepal was immense and untapped. Industries could and should be provided with incentives to motivate them to develop and use renewable energy sources. They should be both green and clean and their products should have the smallest possible carbon footprint, but affordable, cost-effective and reliable technology was needed to achieve those goals. UNIDO should take the lead in that regard.

82. **Mr. Savunov** (Belarus) said that while the use of industrial development as a strategy for economic growth, as provided for in the Lima Declaration and Plan of Action of 1975, had made it possible for the international community to achieve some success in eradicating poverty and addressing social problems, intensified efforts were needed to tackle issues that remained high on the global agenda, such as unequal economic opportunities, access to resources and environmental problems.

83. Belarus welcomed the intergovernmental negotiations on the post-2015 development agenda, aimed at achieving inclusive and sustainable industrial development. UNIDO, given its unique mandate, should focus its efforts on providing support to Member States in that regard.

84. The elaboration of sustainable development goals was important, since those goals would guide States on the route to sustainable development and ultimately replace the MDGs. That process should be accompanied by an evaluation of the capacity of middle-income countries to achieve sustainable development.

85. Belarus highly valued the new Lima Declaration, which gave impetus to the elaboration of the post-2015 development agenda and the strengthening of the role of UNIDO in that process, and welcomed its appeal to the international community to give due attention to countries at varying stages of development, including middle-income countries.

86. Cooperation with UNIDO was very important to Belarus. Innovation was vital for the industrial, social and economic development of every State, and Belarus accorded particular attention to innovative activities as part of its industrial development. Belarus was striving to introduce new, cutting-edge technologies that facilitated the creation of new types of goods and services, environmentally friendly resources and products and the modernization of manufacturing processes in order to make the national economy more competitive.

87. He was confident that the implementation of the Framework Programme of Cooperation between

Belarus and UNIDO, signed in October 2013, would greatly facilitate the development of industry and innovation in Belarus, and his country looked forward to fruitful cooperation in areas including energy and the environment, investment and technology transfer, the development of SMEs, enhanced quality infrastructure and the strengthening of agro-industry and the automobile sector.

88. Increased technical cooperation would enable UNIDO to respond appropriately to the needs of Member States and provide effective and targeted support for their industrial development priorities and strategies.

89. **Mr. Deleuze** (Bolivarian Republic of Venezuela) expressed support for the role of UNIDO in combating poverty and strengthening economies while also addressing social and environmental issues. The MDGs must be achieved in all countries in order for the international community to be able to define an effective post-2015 development agenda.

90. The Bolivarian Republic of Venezuela was continuing its process of transition to a participatory and proactive democracy and of building a new domestic economic order. A production model based on socialist values and drawing on various ownership models — private, government, social and ancestral — was being established.

91. The socialist production model set out in the Simón Bolívar National Project for 2013-2019 provided for the establishment of socialist production enterprises, which were economic entities, engaged in the production of goods and services, in which employment was meaningful, social discrimination and privileges based on hierarchy did not exist and equality was ensured through participatory and proactive planning.

92. In order to consolidate and further participatory democracy, the value of human life and of each individual must be upheld and protected, and, together with solidarity, must come before capitalist values. Those principles should be gradually incorporated in the Organization's activities and in the elaboration of post-2015 goals.

93. Debate and action at the national and international levels should be intensified in order to change, through UNIDO and other multilateral forums, the predatory development model imposed by capitalism over the past three centuries as a result of the expansion of the market economy. Immediate and long-term action was needed to restore environmental balance and achieve environmentally clean and socially sustainable production and other economic processes, and thus to achieve inclusive and sustainable development.

94. As part of the United Nations system, UNIDO should support the construction of a new international ethical and social architecture, which would help to define the post-2015 development agenda.

95. Industrial development would not be possible unless sovereignty over natural resources and the right to use and manage those resources with a view to achieving inclusive and sustainable development was guaranteed. Mechanisms for the integration and unity of States played a fundamental role in creating an environment conducive to development.

96. While it was important that middle-income countries should pursue economic development in harmony with nature, such an approach entailed considerable cost, whereas high-income countries, which had already achieved industrialization, had avoided such a financial burden through ignorance of, or disregard for, the impact of their industrialization processes on the environment. The industrialized countries should therefore assume responsibility for environmental degradation by transferring resources and cutting-edge technology in order to create clean, sustainable and safe industry. In that regard, South-South cooperation could assist the Latin American region in addressing the major challenges of globalization.

97. Economic growth alone did not generate development, and the error of pursuing development at all costs should not be repeated. Mechanisms to foster complementary and inclusive production processes should be developed. The aim of industrial development should not be to benefit the macroeconomy but rather to benefit all peoples.

98. **Mr. Orzechowski** (Poland) said that, over the past 20 years, industry had played a fundamental role in helping Poland to make the transition from its status as development aid beneficiary to that of net contributor to international development. Of all the European Union Member States, Poland had the largest share of GDP accounted for by industry and was the

only Member State that had survived the economic and financial crisis with a steadily growing economy. Industry was the key to those achievements.

99. Manufacturing capacity was highly relevant to national economies, as was the mandate of UNIDO. The Organization's relevance was also reflected in the growing demand for UNIDO services. In that regard, he welcomed the continuous increase in UNIDO technical cooperation activities.

100. Poland urged UNIDO to continue to carry out its activities with due respect for the principles of efficiency and accountability. It was essential to ensure a results-based approach and to give particular attention to the developmental impact of projects.

101. There had been numerous positive developments in cooperation between Poland and UNIDO, including the financing by Poland of the Organization's regional training programme on trade capacity-building in Central Asia. The aim of the programme was to strengthen the national capacities of the Central Asian countries in the areas of trade and modern, quality infrastructure. The first training module, held in Kyrgyzstan, had been greatly appreciated by the participating countries, and Poland looked forward to hosting the second module.

102. Poland had also assisted in the implementation of a UNIDO project on strengthening the fruit and vegetable subsectors in Tajikistan, which was expected to bring about tangible results in the creation of jobs and the development of the food sector. Furthermore, it had supported UNIDO activities in the field of environment and energy, in particular the Green Industry Initiative and the Green Industry Platform. In 2013, Poland had supported UNIDO for a third time in organizing the Vienna Energy Forum, which provided an excellent platform for the discussion and exchange of ideas and raised the Organization's international profile.

103. Poland greatly appreciated the efforts, dedication and commitment of UNIDO and its staff to the successful implementation of the Programme for Change and Organizational Renewal and encouraged the Organization to take advantage of the opportunities offered by the Enterprise Resource Planning system to improve decentralization, enhance information monitoring and develop knowledge-sharing. Continued change management reform was also of great importance.

104. **Mr. Kim** Hak Chol (Democratic People's Republic of Korea) welcomed the Organization's thematic priorities and its efforts to strengthen technical cooperation for the benefit of developing countries. UNIDO was to be commended for persisting in its efforts to ensure the effectiveness of its activities and strengthen its capacity in spite of the global financial and economic crisis and the decrease in funding owed in part to the withdrawal of some Member States from the Organization. It was also to be praised for the measures it had taken to develop its activities to promote green, clean and competitive industries and the transfer of renewable energy technologies.

105. It was important that UNIDO should continue to seek to ensure optimal conditions for industrial development in its Member States by addressing, inter alia, the challenges of social inequality, unemployment, poverty and climate change. The theme of the General Conference session was highly relevant in the establishment by the Member States of a common position with regard to the post-2015 sustainable development goals.

106. The strengthening of the self-sufficiency of national economies and the achievement of sustainable development were objectives shared by all developing countries. He urged UNIDO to give priority to providing those countries with the assistance necessary for their economic and technological development, without discrimination. The Organization should also take practical measures to improve infrastructure, promote technical innovation, improve productivity and strengthen trade capacity for their inclusive and sustainable development.

107. In that regard, his delegation greatly appreciated the Organization's preparation of its programme and budgets for 2014-2015 not only without placing an additional burden on its Member States but also without detriment to its cooperation activities, despite its difficult financial situation.

108. UNIDO should strengthen its role as agency for cooperation in the area of energy and the environment in order to contribute to the development of green industry worldwide. In order to achieve the post-2015 sustainable development goals, it should take measures

to strengthen the transfer of clean technologies and provide financial support for developing countries to that end.

109. UNIDO should also strengthen its partnerships with other international organizations, such as UNDP, and with developed and developing countries in order to step up South-South and North-South cooperation.

110. The Democratic People's Republic of Korea was actively striving to establish a prosperous socialist State and revitalize the national economy with a view to becoming a knowledge-based economic power. It would continue to strengthen its cooperative relations with all Member States and would participate actively in the efforts of the international community to achieve global peace and the shared prosperity of all nations.

111. **Mr. Harnhirun** (Thailand) said that the Member States were present in Lima to reaffirm their conviction, as expressed in the Lima Declaration and Plan of Action of 1975, that industrialization was an essential driver of inclusive and sustainable development. Industrial development had been recognized as one of the key contributions to achievement of the MDGs and would undoubtedly remain a key factor in the post-2015 development agenda.

112. Great progress had been achieved in development since 1975. However, despite improved quality of life, the international community must accept that the problems of poverty and social inequality had yet to be overcome. The globalized world faced a number of complex challenges, including climate change, environmental degradation, pandemics and economic crisis. A problem in one country or region could affect several other parts of the world. It was therefore important to address those common challenges jointly and ensure that all stakeholders were involved.

113. Thailand fully endorsed the new Lima Declaration and was confident that UNIDO would continue to assist its Member States in achieving enhanced levels of inclusive and sustainable industrial development.

114. In the past two decades, Thailand had experienced many challenges to its development, including the regional financial crisis of 1997, the bird flu epidemic of 2003, the tsunami of 2004 and one of the worst floods in its history in 2011. The global economic crisis had led to adjustments in rules and regulations relating to trade, investment, finance and environmental and social matters. In order to enhance their competitiveness, Thai entrepreneurs had had to improve their production processes and business practices while incorporating the elements of corporate social responsibility and fair competition. In addition, economic cooperation initiatives such as those of the Economic Community of the Association of Southeast Asian Nations had affected various aspects of the economic, industrial and social development of Thailand, not least the development of human resources. In addressing those issues, Thailand counted on the expertise and assistance of UNIDO in the areas of technical cooperation, standards and compliance, action-oriented research and policy advisory services.

115. With regard to the three pillars of sustainable development, namely economic development, social development and environmental protection, the moderation approach — whereby economic development and environmental conservation were well balanced — was the key to sustainability and resilience.

116. His country's development strategy had shifted from a growth-oriented to a more holistic, people-oriented approach whereby creativity and knowledge were used as drivers of growth. In addition to its growth and competitiveness strategy, Thailand was focusing on the promotion of inclusive and green growth as a means of achieving sustainable development, and trusted that UNIDO would continue to play its important role in providing the assistance necessary to achieve those objectives.

117. With regard to sustainable production and industrial resource efficiency, Thailand welcomed the increasing emphasis placed by UNIDO on green industry and the use of and access to sustainable energy and appreciated the organization of the Green Industry Conference 2013.

118. Three years previously, the Ministry of Industry of Thailand had launched a green industry scheme. To date, the scheme had attracted increasing attention from the industrial community and the involvement of local communities.

119. A further effort towards inclusive and green growth was the development of "eco-industrial towns", inter alia through cooperation with other countries that were implementing eco-city initiatives.

120. Both the Green Industry Scheme and the eco-industrial town project were good examples of the role that industrialization could play, if managed correctly, in driving inclusive and sustainable development and thus contributing to poverty eradication. Industrialization created decent productive employment, generated income and facilitated social integration, and unquestionably played a key role in maintaining social stability and cohesion.

121. The significant impact of climate change must be addressed. UNIDO could play an active role in providing immediate assistance to Member States in need of recovery, specifically the recovery of their industrial sectors, in the event of a natural disaster such as the floods that had struck Thailand in 2011.

122. Thailand firmly supported the Organization's constructive role in promoting inclusive and sustainable industrial development, and was convinced that UNIDO would continue to adapt effectively to changing circumstances and new challenges. The involvement of Member States and other stakeholders in determining the Organization's future role and activities was crucial. Thailand stood ready, as always, to continue to work closely with UNIDO and other Member States in advancing the Organization's agenda for the benefit of all.

123. **Mr. Marizane** (Mozambique) said that the current session of the General Conference illustrated the commitment of the United Nations system to addressing the special needs of the LDCs and helping them to integrate in the global economy, achieve sustainable economic development and alleviate poverty.

124. Mozambique had benefited from the Organization's assistance in various areas, in particular trade capacity-building, resource efficiency, cleaner production and the productive use of energy.

125. While globalization had offered unprecedented opportunities, some countries had been unable to reap its full benefits. Economic growth depended on improved supply-side capacity and competitiveness in the public and private sectors. Improved trade and investment policies and a better business environment were essential in order to attract both domestic and foreign direct investment.

126. Capacity-building, technology transfer and innovation facilitated economic growth and development and could be achieved through UNIDO assistance. Mozambique continued to face challenges relating to its lack of skilled labour, obsolete technologies and limited institutional capacity, which had a negative impact on its main national value chains. However, it had important mineral resources that, if used properly, could contribute to sustained economic growth.

127. Mozambique was committed to working with its partners to ensure the implementation of the Istanbul Programme of Action for the Least Developed Countries, which represented a commitment by the United Nations and its development partners to help the LDCs to change their economic structures, diversify production and increase their competitiveness.

128. The Government of Mozambique had been working to create an investment- and business-friendly environment through the adoption of various economic, trade and industrial policies. All measures were focused on achieving the MDGs. Through the implementation of its Country Programme Document, Mozambique expected to deliver results in areas relating to sustainable agribusiness and agro-industries, SMEs — with emphasis on the participation of women and young people — and access to energy, including renewable energy, for productive industries.

129. Mozambique was committed to strengthening its cooperation with UNIDO in order to increase its productive capacity, improve livelihoods and achieve sustainable development.

130. *At the invitation of the President, the Conference observed a minute of silence in tribute to the memory of Nelson Mandela.*

131. **The President** expressed his deepest condolences to the people of South Africa and the wider region and all those whose rights and freedoms Mr. Mandela had stood for during his lifetime.

132. **Mr. Jeong** Jinkyu (Republic of Korea) also expressed his condolences to the Government and the people of South Africa on the death of Nelson Mandela.

133. The tireless work of UNIDO had contributed to poverty reduction in the LDCs and middle-income countries and improved livelihoods in numerous developing nations. He commended the

Organization for its commitment to achieving sustainable development by stimulating public-private partnerships and technological cooperation in an environmentally-friendly manner.

134. Many developing countries could learn from the experience of the Republic of Korea with regard to economic growth. It had undertaken Government-led industrial development with the cooperation of the private sector and, despite scarce natural resources, had achieved remarkable growth through technological innovation, focusing on increasing the productive capacity of rural communities in a range of strategic fields. It had thus managed to transform socioeconomic challenges into opportunities.

135. UNIDO should give priority to an economically transformative agenda that promoted sustainable and inclusive growth in developing countries, underpinned by human-resource development, technological progress and innovation.

136. In order to address extreme poverty around the globe, it was vital to build the productive capacity of LDCs so as to facilitate their structural transformation, social development and environmentally sustainable technological advancement. The commitment of UNIDO should guide the global community in addressing the inclusive and sustainable industrial development issues of the post-2015 development agenda, strengthening partnerships among stakeholders and implementing efficient environmental policies.

137. His country's Government had participated in global efforts to achieve such development. Future joint policies implemented by the Republic of Korea and relevant organizations could support developing countries in incorporating green and sustainable elements into their national policy priorities.

138. The Republic of Korea wished to continue to engage in development activities in partnership with UNIDO. It was currently implementing two projects jointly with the Organization in Cambodia, and hoped that those projects would serve as a good example of environmentally friendly technological support and public-private partnerships in developing countries.

139. Thanks to the global community's support, the Republic of Korea was now a donor rather than a recipient State, which was why it took a keen interest in poverty eradication and economic growth in developing nations. It was ready to share its industrial development experience and use the Least Developed Countries Strategy and Operational Plan, 2012-2020, as a means of offering development cooperation to the developing world.

140. The Republic of Korea would continue to participate in UNIDO partnership activities and support the Organization's laudable efforts to achieve inclusive and sustainable industrial development, and looked forward to working with the global community to eradicate extreme poverty.

141. **Mr. Vodicka** (Czech Republic) said that the Czech Republic had a long history of cooperation with UNIDO, and development cooperation was a fundamental element of its foreign policy.

142. He commended UNIDO for its continued efforts to increase its efficiency and productivity and for its excellent work in preparing the "Strategic Guidance Document", which should be put into effect as soon as possible. The Czech Republic participated actively in the work of UNIDO at all levels, including through its membership of the Industrial Development Board and its participation in individual development projects. It had extensive expertise, primarily in the fields of environmental protection, water and sanitation, good governance and support of civil society. The country could offer a valuable contribution to programmes dedicated to countries with transition economies, and was ready to share its wealth of past experience in privatization and the creation of good business environments. It could also help to devise strategies for public administration reform, private-sector development, new forms of public-private partnership, democratic governance and institutionalization.

143. The Organization's knowledge and expertise in the field of inclusive industrial development was a valuable source of inspiration for the development cooperation activities of the Czech Republic, for example, in enabling partner countries to emerge as effective trading partners in the global market.

144. The Czech Republic welcomed the role of UNIDO in supporting the implementation of the MDGs, which constituted the most successful global effort in history to combat poverty and had contributed to raising public awareness, creating political will and mobilizing resources. While some of the Goals had been met and others were within close reach, the results were not consistent among countries. The future

development agenda should build on the successes of the MDGs and bring together various development actors. The Czech Republic supported a single, overarching post-2015 framework that focused on poverty eradication and the promotion of sustainable development. It called for the full integration of all relevant international processes, in particular the assessment of the MDGs and the work of the Open Working Group on Sustainable Development Goals. The future goals should be universal but realistic, taking into account the conditions in each country. They must also be achievable and measurable.

145. The Czech Republic noted with satisfaction the emphasis that UNIDO placed on inclusive growth. The role of sustainable energy was in line with its current priorities. UNIDO should continue to promote access to clean energy for productive uses, energy efficiency and energy-efficient industrial technologies. It should also strongly advocate the post-2015 goals and help partner countries to introduce good practices and successful solutions with regard to environmental challenges.

146. **Mr. Hassane** (Niger) said that the presence of the President of Peru, the Secretary-General of the United Nations, high-level members of various regional and international organizations and numerous ministers of industry of the UNIDO Member States at the Conference illustrated the commitment of those Member States to the Organization and confirmed the importance they attached to achieving the Organization's objectives. Thirty-eight years after the second General Conference had been held in Lima, Member States had returned to reaffirm their conviction that inclusive and sustainable industrial development contributed to the diversification of economies and remained key to economic growth and poverty eradication. Industrial development challenges were more central than ever before to the concerns of the international community.

147. Niger commended the role played by UNIDO in facilitating the transfer of technologies and competencies with the aim of increasing quality of life.

148. Niger was one of the poorest countries in the world, but had significant reserves of natural resources. Its mineral resources could facilitate rapid economic growth in the near future, and Niger intended to use the resulting revenue wisely, investing it in sustainable development in order to improve its people's well-being. With that aim in mind, it was using the economic diversification approach devised by UNIDO in order to ensure fair and lasting development.

149. Niger also had significant agricultural resources. The development of rural areas and value addition in the agricultural sector were central to the country's "3N" ("Nigeriens nourish Nigeriens") initiative to strengthen agricultural capacity and food security, which was being implemented in association with UNIDO. The Organization's vision of inclusive and sustainable industrial development had also led to the African Agribusiness and Agro-Industries Development Initiative, through which Niger intended to strengthen its vital farming sector and thus work to achieve its food security objectives and ensure socioeconomic progress.

150. The traditional farming sector indeed affected the whole population. New transformation processes, the economic empowerment of young people and women and improvement of the quality, packaging and storage of products were concrete actions that could add value and improve quality of life in rural areas.

151. The relevant institutions of Niger were ready to contribute to the efforts of UNIDO experts with a view to mobilizing the necessary financial resources for the implementation of the newly adopted Country Programme, which was a Government priority.

152. Niger was committed to the LDC Strategy and Operational Plan and the Lima Declaration. The Declaration should be an important element in the post-2015 development agenda and should enjoy the strong support of the international community, particularly financial support.

153. **Ms. Herman Bilia** (United Republic of Tanzania) joined previous speakers in expressing condolences to South Africa on the death of Nelson Mandela.

154. Industrial development was a key factor in bringing about structural change, sustained economic growth and poverty eradication. The United Republic of Tanzania had been putting in place various measures to enhance the pace of industrialization, reorganizing and reorienting industrialization processes as a tool for inclusive and sustainable growth.

155. The industrial agenda had been given top priority at the national level. The Tanzania Development Vision 2025 was aimed at creating a

semi-industrialized economy strengthened by supportive industrial and service activities. The Five-Year Development Plan for 2011-2016 aimed to build the foundations of self-propelling industrialization and export-led growth. Both domestic and foreign direct investment were given top priority through the Tanzania Investment Policy, which also highlighted the importance of clusters in addressing infrastructure challenges.

156. Since much of the country's population depended on agriculture, the United Republic of Tanzania was implementing measures that targeted value addition in that sector, thus creating wealth. The Southern Agricultural Growth Corridor of Tanzania, an agricultural partnership supported by various development partners, was focused on areas with an abundance of arable land, water and minerals, good capacity for power generation and access to roads and railway lines. Activities carried out within the framework of the partnership would be enhanced to ensure inclusive growth and wealth creation and facilitate technology transfer. She invited interested potential partners to invest in the Corridor.

157. A further area of focus was the development of SMEs, which fostered industrial development and created job opportunities. SMEs accounted for around 94 per cent of businesses in Tanzania, of which around 54 per cent were owned by women, and represented around 27.9 per cent of the country's GDP. She hoped that UNIDO and other development partners would continue to support and ensure the sustainability of SMEs through technical assistance.

158. The United Republic of Tanzania was also focusing on the role of women and young people and fostering the development of skills and entrepreneurship, while also considering environmental concerns.

159. With regard to the MDGs, she expressed appreciation to her country's development partners and welcomed the fact that notable improvement had been achieved in the social sector. However, poverty remained a challenge in the United Republic of Tanzania. In order to address the current situation and to meet future challenges, the post-2015 development agenda must take into consideration all three dimensions of sustainable development, namely economic growth, environmental sustainability and social inclusiveness and equality.

160. The United Republic of Tanzania greatly appreciated the Organization's activities at the national level. UNIDO had been focusing on environmental and energy-related issues, support for SMEs and activities relating to women and young people. It had also been working in the areas of capacity-building in evidence-based policy formulation and industrial competitiveness, technology upgrading and assistance for industries in improving their efficiency while establishing linkages between suppliers and major buyers. UNIDO was also working closely with relevant stakeholders in ensuring successful implementation of the African Agribusiness and Agro-Industries Development Initiative. She expressed the hope that the Organization would maintain such efforts.

161. She also expressed the hope that the country's various partners, in particular Brazil, the Russian Federation, India, China and South Africa (the "BRICS countries"), would open up their markets without imposing stringent conditions relating to processed products from the LDCs. That would put an end to the practice of commodity trading in developing countries, which led to an unbalanced and uncompetitive business environment and prevented sustainable partnership. The United Republic of Tanzania was committed to integrating the issues raised in the Lima Declaration in its national strategies in order to achieve the desired goals relating to human development, poverty reduction and inclusive and sustainable industrial development.

162. **Ms. Al Hamdi** (Oman) said that UNIDO played a key role in accelerating sustainable industrial development in accordance with the needs of Member States. She welcomed the Lima Declaration and the Organization's efforts to help to define the post-2015 development agenda.

163. Member States should strengthen their cooperation with the Organization in order to benefit from its various activities. Such cooperation was important for the implementation of national projects that were tailored to the needs of Member States, with a particular focus on the three dimensions of sustainable industrial development.

164. In spite of varying population sizes, priorities and levels of development, there were many similarities between Arab States in terms of development and resources. They had similar needs with regard to employment, the participation of women and young

people, support for entrepreneurship, poverty alleviation, capacity-building and technology transfer. In that regard, she stressed the importance of continued cooperation between the Arab States and UNIDO in industrial modernization, support for agro-industry, support for the Arab States in attracting foreign direct investment and increasing the capacity of industries, especially agro-industry. Cooperation between UNIDO and the Arab Industrial Development and Mining Organization was also important.

165. Moreover, further attention should be given to capacity-building, which provided opportunities to achieve rapid success by enabling States to implement national projects and benefit from regional projects.

166. Oman looked forward to the continued implementation of the Arab programme, with due account taken of the common development issues facing the Arab States, and particularly to policymaking support.

167. The return of UNIDO Member States to Lima was highly symbolic. She was confident that discussions would remove any obstacles to industrialization and enable Member States to achieve higher levels of technical cooperation.

168. **Mr. Phangaphanga** (Malawi) said that his country, as current Chair of the Southern African Development Community, wished to express its deepest condolences to South Africa on the loss of Nelson Mandela.

169. The outcomes reflected in both the LDC Ministerial Meeting Declaration and the Lima Declaration were timely and relevant.

170. Malawi continued to cooperate with UNIDO under key programmes, particularly the standards, quality assurance, accreditation and metrology (SQAM) project under the Malawi Bureau of Standards. The project showcased what was perhaps the Organization's greatest strength, namely support for the global revitalization of quality infrastructure.

171. Malawi had developed a national export strategy, to be expanded under a new manufacturing policy that aimed to rejuvenate industrialization, in the implementation of which it hoped to count on UNIDO support. It had also developed a national quality policy with UNIDO assistance.

172. Malawi greatly appreciated the Organization's current work on the Industrial Development Report, the Connectedness Index and its other extremely useful knowledge products. However, additional follow-up activities should be carried out with regard to such products as the Investment Promotion Platform in order to ensure continued usability and review the extent of private-sector use. The generation of knowledge products would be more beneficial if their effective use and follow-up was ensured. Given the fact that a number of years had passed since the Investment Promotion Platform had been developed, it was imperative to carry out a review of its outcomes.

173. Lastly, UNIDO should strengthen its presence in Malawi through the establishment of a representative office in order to improve coordination of its activities and thus improve delivery and reduce costs.

174. **Mr. Baumann** (International Trade Centre (ITC)) said that the Conference was addressing issues that were fundamental to the economic transformation of the LDCs and their sustainable and inclusive development.

175. Two years had passed since the adoption of the Istanbul Programme of Action for the Least Developed Countries, and it was time to take stock of the progress made in its implementation. Recovery from the global economic meltdown had been slow and there had been a reduction in overseas development assistance. That had also had a negative impact on aid-for-trade flows to the LDCs.

176. After more than three decades of collective action to assist the LDCs, those countries continued to suffer from structural challenges that prevented them for making significant gains in international trade.

177. ITC shared the Conference's commitment to inclusive and sustainable industrial development and fully subscribed to the Lima Declaration.

178. The phenomenal economic rise of a number of emerging economies had shown that industrial and trade development could transform economies, create jobs and bring about prosperity. Economic growth required sound market-led policies, a nurturing business environment, strong institutions and the right mix of good human resources, appropriate technology and financial investments.

179. As a joint agency of the World Trade Organization and the United Nations, ITC helped SMEs in developing countries to become more competitive in global markets, thus creating jobs, particularly in poor communities and for women and young people. It contributed to several of the MDGs and its work covered all areas that helped developing countries to reap the benefits of trade. Production processes had become more complex, and much trade was currently carried out through global value chains. ITC helped developing countries not only to integrate in regional and global value chains but also to retain a greater share of the resulting value.

180. ITC contributed actively to the achievement of the objectives enshrined in the Istanbul Programme of Action. The LDCs had accounted for around 60 per cent of the technical assistance provided by ITC in 2012 and would remain a priority.

181. ITC had a long history of cooperation with UNIDO and the two agencies had collaborated on various projects around the world. In Benin, they were working with the United Nations Conference on Trade and Development (UNCTAD) to develop a project under the Enhanced Integrated Framework, which aimed to promote agribusiness and boost production and exports by building the capacities of trade support institutions and enterprises. It included the establishment of industrial partnerships, the use of trade intelligence and the activation of market opportunities with international buyers.

182. ITC had also built a stronger strategic partnership with UNIDO under a programme aimed at enhancing supply-side capacities in the LDCs. The two agencies were working in the Lao People's Democratic Republic and the United Republic of Tanzania, among other countries.

183. The Centre's Women and Trade Programme helped women entrepreneurs to derive greater economic benefit from their participation in export-oriented value chains and improve the competitiveness of their goods and services. Since 2010, it had supported the establishment of women's associations in the coffee sector in East Africa in cooperation with the International Women's Coffee Alliance. The programme included awareness-raising and advocacy elements and played an important role in connecting women to export markets. An important component of the programme was the Global Platform for Action on Sourcing from Women Vendors, which allowed multinational companies and Governments to source and procure goods from women entrepreneurs.

184. Consultations between ITC and UNIDO had already begun to strengthen synergies in the work of the two agencies in supporting the efforts of the LDCs to achieve gender equality and the empowerment of women and girls. That was part of the global commitment to the implementation of the Istanbul Programme of Action.

185. The post-2015 development agenda should place greater focus on economic empowerment issues, particularly in the LDCs. Increased attention to trade and competitiveness issues would result in a strong global partnership to boost inclusive growth and sustainable development. Ensuring that the development agenda addressed the special needs of the LDCs, particularly those relating to trade and industrial development, would help to attract international attention and ensure a coordinated response.

186. ITC would join UNIDO and other agencies in ensuring that the economic empowerment pillar of the post-2015 development agenda was appropriately formulated to build strong synergies with the social and sustainability pillars. The three pillars would go a long way in shaping a brighter future for the LDCs.

187. **Mr. Debabeche** (League of Arab States) began by commending the Director General for his active participation in the General Assembly, his work to enhance cooperation between UNIDO and regional and international organizations and his role in ensuring that the Organization met the expectations of Member States. The League of Arab States was convinced of the importance of the UNIDO mandate in enhancing and accelerating sustainable industrial development and promoting it as an international priority.

188. The League of Arab States welcomed the focus placed by UNIDO on areas that were important to its member States, particularly job creation, poverty eradication, increased capacity-building, technology transfer, investment and efficiency in the use of energy resources.

189. The fifteenth session of the General Conference was a good opportunity to stress the importance of the Organization's partnerships. The League of Arab States welcomed the adoption of the Lima Declaration and

looked forward to cooperating with UNIDO in achieving its goals.

190. The League supported the endeavours of the Arab States to form a regional agenda for increasing cooperation with UNIDO in fields of mutual interest so that countries could draw maximum benefit from the Organization, increase the quality and quantity of industrial development projects and overcome current challenges.

The meeting rose at 18.35 p.m.